

***PRELIMINARY INFORMATION GUIDE
For the
Management of Beachfront Properties
Owned by the Urban Development Corporation***

22 November 2012



Table of Contents

	<i>Page</i>
<i>Disclaimer</i>	3
<i>Introduction and Background</i>	4
<i>Vision and Objectives</i>	5
<i>PwC's Role</i>	6
<i>DBJ's Role</i>	7
<i>Location of Beachfront Properties</i>	8
<i>Fort Clarence Beach Park</i>	9-14
<i>Long Bay Beach Park 1 and 2</i>	15-19
<i>Bluefields Beach Park</i>	20-25
<i>Next Steps</i>	26-27

Disclaimer

The purpose of this Preliminary Information Guide (the “Guide”) is to advise potential investors of the opportunity to manage, operate and develop, under long-term operating leases, four (4) beachfront properties owned and operated by the Urban Development Corporation (“UDC” or “the Corporation”), namely:

- *Fort Clarence Beach Park, St. Catherine*
- *Long Bay Beach Park 1, Westmoreland/Hanover*
- *Long Bay Beach Park 2, Hanover*
- *Bluefields Beach Park, Westmoreland*

This document is for information purposes only and is provided on the understanding that it will be used only for this purpose.

Although PricewaterhouseCoopers Tax and Advisory Services Limited (hereinafter referred to as “PwC” or “the Financial Advisor”) believes that the information contained in this document is accurate, the Financial Advisor makes no representations or warranties, expressed or implied, concerning such information. The Financial Advisor shall have no obligation or liability to any prospective bidder or lessee as a result of the furnishing of information herein.



Introduction and Background

The UDC owns and operates several beachfront properties in Jamaica which includes the following public beach parks:

- Fort Clarence Beach Park, St. Catherine*
- Long Bay Beach Park 1 , Westmoreland/Hanover*
- Long Bay Beach Park 2, Hanover*
- Bluefields Beach Park, Westmoreland*

The above four (4) properties possess outstanding natural beauty and abound with ecological treasures which are currently under the management of UDC. The UDC is currently seeking to privatise the management of these properties through long term lease arrangement.

The above-listed properties are subject to the Government of Jamaica's (GOJ) public tender bidding process, and are expected to be advertised publicly. Interested parties will be allowed to bid on one, or more of the four (4) properties listed in this document.

The remainder of this document will provide a brief summary of the properties and the development vision and objectives for each property. Detailed information on the four (4) properties will be provided in a Confidential Information Memorandum document which will be available to pre qualified investors, for a fee, during the first quarter of 2013.



Vision and Objectives of the Private Sector Management of the Beachfront Properties

The overarching objective of the private sector management of these properties is to facilitate the development of a world-class, family-oriented recreational environment while preserving the surrounding ecosystem. Additionally, successful management of the properties will allow active competition on a large scale with other prime Caribbean beachfront properties through sustained and broadened customer satisfaction.

Some of the overall objectives of the private sector management of the beachfront properties include:

- To maximize the potential of each beachfront property;*
- To realise the most positive return from the operation of the beachfront properties;*
- To provide high-quality, world class attractions to support Jamaica's tourism product in a sustainable manner;*
- To promote the development of additional eco-tourism attractions on the island;*
- To encourage better maintenance of the environment, protecting and sustaining Jamaica's natural resources.*

Role of PwC

The GOJ through the Development Bank of Jamaica (“DBJ”) has contracted PwC to act as its exclusive Financial Advisor with regard to the private sector management of the captioned beachfront properties owned by the UDC (“the Deal”).

PwC will be the main point of contact for this private sector management transaction and all enquiries should be made with them in the first instance. Under no circumstance should any director, management personnel, employee or affiliate of UDC or the DBJ be contacted directly regarding your potential interest without the prior specific approval of PwC.

* PricewaterhouseCoopers Tax and Advisory Services Limited (a limited liability company incorporated in Jamaica). All rights reserved. PwC refers to the Jamaica member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity.



Role of the Development Bank of Jamaica

The DBJ is the GOJ agency which manages the Government's privatisation and Public Private Partnership programme, and serves as Secretariat to the UDC Enterprise Team for the private sector management of the beachfront properties referred to in this document. The UDC Enterprise Team is responsible for providing general oversight of the private sector management transaction for the beachfront properties.

The DBJ's role is to ensure that the private sector management process is transparent and that the transaction is carried out in accordance with current GOJ requirements and guidelines.



Location of Beachfront Properties



Long Bay Beach 1



Long Bay Beach 2



Bluefields Beach



Fort Clarence Beach



Fort Clarence Beach Park – Description

Fort Clarence Beach Park is considered the finest white sand beach on the south-east coast of Jamaica. This Beach serves a population of approximately 1.1 million residents from the metropolis of Kingston, St Andrew and St Catherine.¹

This breathtaking and secluded beach is located approximately six miles from the city centre of Portmore, in the Parish of St. Catherine, Jamaica and 0.5 kilometres (0.31 miles) from the Hellshire main road. The property is 8.688 acres (378,461.92 sq ft), with the beach front area being a 1,635.672 feet expanse.

It stands in close proximity to the Waves Beach Club and the community of Seaforth in Hellshire. The beach is currently a paid public beach facility owned and operated by the UDC.



Aerial View of Fort Clarence Beach – Courtesy – Robert Davis – “Jamaica by Air”

Fort Clarence Beach Park–Vision and Future Objectives

The Vision for Fort Clarence Beach Park is that it will meet the following objectives:

- Provide a unique experience with creative and diverse recreation and relaxation, whilst educating patrons through the provision of information on the natural and terrestrial environment with potential discovery opportunities including nature trails.*
- Provide an enjoyable and memorable family experience, through the addition of amenities such as, a club house, land and water-activities.*
- Maximise on the opportunities for eco-tourism and enhance the tourism product by the creation or development of eco-attractions.*



Fort Clarence Beach Park – Operations

Currently the main sources of revenue for Fort Clarence Beach are from the rental of lounge chairs, entrance fees and promotional events. The beach operates with basic amenities that can be improved and integrated with the biodiversity of the beach environs.

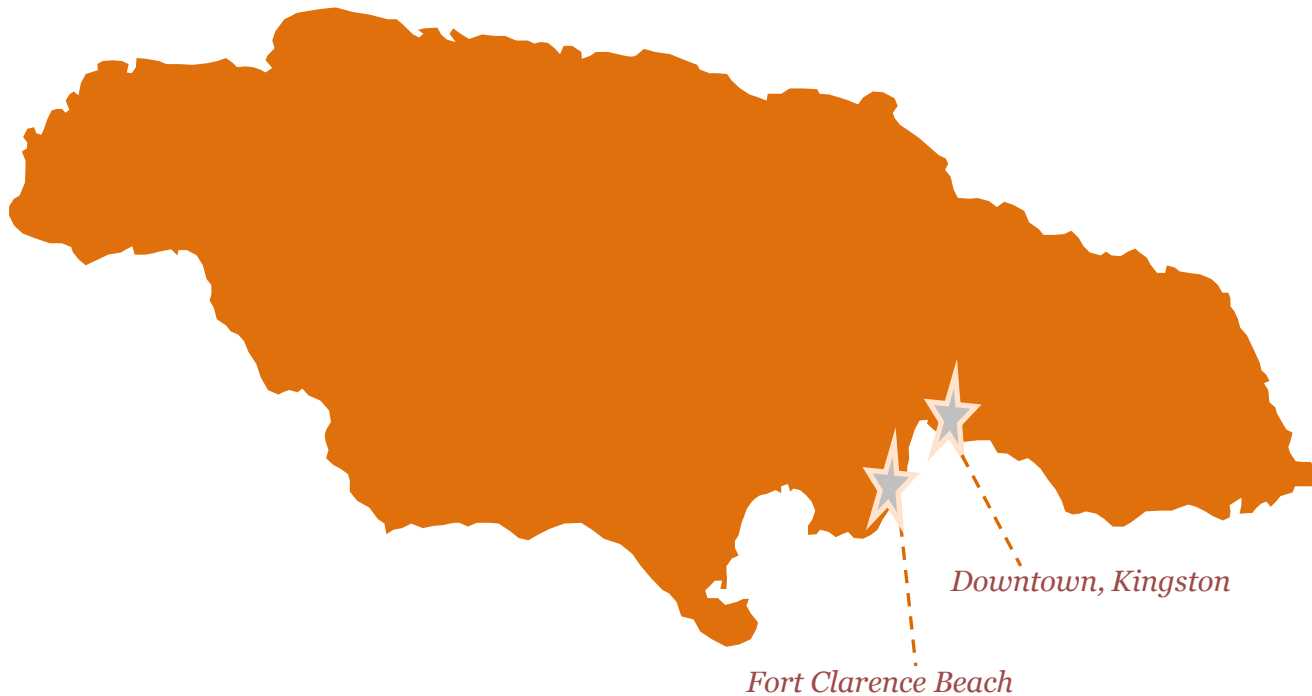


Aerial View of Fort Clarence Beach – Courtesy of Robert Davis – “Jamaica by Air”

Fort Clarence Beach Park – Potential Development

Strengths	Opportunities
<ul style="list-style-type: none"> • Quiet, secure, hassle-free and secluded environment for relaxation • Beach property serves the Parishes of Kingston, St. Andrew and St. Catherine with over 1.2 million inhabitants • Adequate parking area • Significant vegetation cover • Close proximity to Downtown, Kingston and Port Royal where major development plans are being considered. • Diverse flora and fauna • Significant land acreage of 8.688 acres (378,461.92 sq ft), with the beach front area being a 1,635.672 feet expanse 	<ul style="list-style-type: none"> • Significant unutilised beach area which can be developed for natural attractions • Marketed as a beach park • The renovation/introduction of new amenities and facilities including boardwalks • Marketed as an eco-friendly location with attractions to preserve the natural habitat • Establish an educational experience for the family through an interactive centre which creates an environment for biodiversity • Unused areas in close proximity to main beach area could be used to provide other opportunities for growth and expansion

Fort Clarence and Downtown Kingston



Fort Clarence is in close proximity to Downtown, Kingston and Port Royal where major development plans are being considered including:

- *Home Porting – The Kingston harbour becoming the home to one (1) or more small boutique cruise lines, bringing in passengers*
- *Transforming the area into a financial centre and vehicle for tourist attraction*

Fort Clarence Beach Park – Potential Development Beach Activities



Suggested beach activities:

- *Kite surfing*
- *Wind surfing*
- *Kayaking*
- *Jet Skiing And Other Motorised Sports (e.g. Water Ski, Parasailing)*
- *Tours on Glass bottom boat*
- *Nature Trail with interactive tours of exotic birds, snakes, iguanas and other indigenous species*
- *Beach volley ball*
- *Beach football*
- *Paddle Ball*
- *Kite Flying*

Long Bay Beach Park 1 and 2 – Description

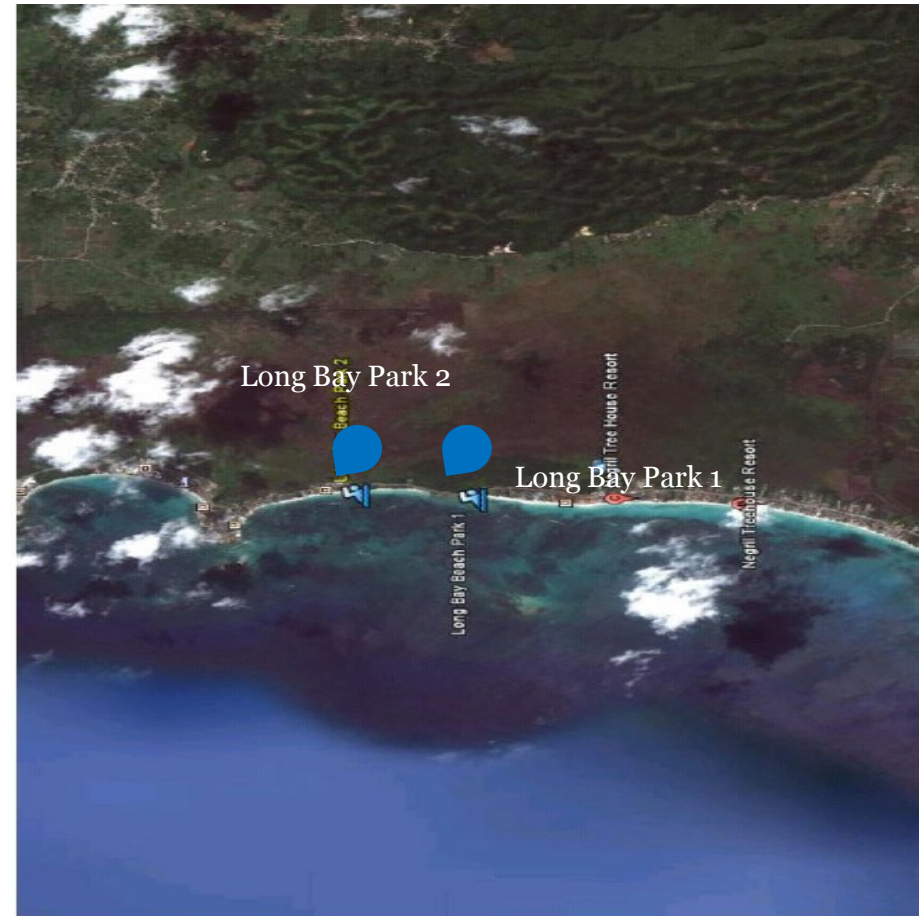
These are two (2) picturesque Beach Parks located in Long Bay. Although both Beach Parks are in close proximity to each other; with similar operations, vision and future objectives; the management will be privatised separately .

*The 7.8-acre **Long Bay Beach Park 1** is located along Negril's famous seven mile beach on Jamaica's western coast, bordering the parishes of Hanover and Westmoreland.*

***Long Bay Beach Park 2** is situated in the parish of Hanover and is located on 5.28 acres.*

The total property size of both Beach Parks is approximately 639,766 feet.

The Beach Parks are in close proximity to world famous hotel brands which includes Sandals Negril Beach Resort and Spa, Couples Swept Away; and the Kool Runnings Water Park.



Long Bay Beach Park 1 and 2 – Vision and Future Objectives

The Vision for Long Bay Beach Park 1 and 2 is that it will meet the following objectives:

- To provide a memorable and enjoyable Negril beach experience*
- To derive value from the various uses of the property including:*
 - Providing an area for refuge and fun*
 - Hosting events such as weddings and corporate gatherings*
- To provide linkages and opportunities to the wider community by enhancing the natural and social environment.*
- To develop an educational program on improving the sustainability of the environment by targeting local residents as well as visitors.*



Long Bay Beach Park 1 and 2 - Operations

Currently, the main source of revenue for Long Bay Beach Park 1 and 2 is from a fee charged to use the restroom facilities. The Beach Parks are operating with basic amenities that can be improved to enhance the Negril 7-mile beach experience.



Long Bay Beach Park 1 and 2 – Potential Development

Strengths	Opportunities
<ul style="list-style-type: none"> • Beautiful white sand beach located along Negril’s world famous 7 mile beach • Large open area for recreation and entertainment, usually patronised by locals. • The beaches are close to major hotels and resorts such as Sandals Negril Beach Resort and Spa, Couples Swept Away (which cater to European plans), and the Kool Runnings Water Park. • The beach properties serve the Parishes of Westmoreland and Hanover which is home to over 215,000 inhabitants. • Approximately 414,000 tourists visit Negril annually 	<ul style="list-style-type: none"> • An affordable entertainment destination for families, friends and relatives visiting this famous resort town • Event hosting with the addition of water sports and other entertainment facilities • Develop commercial activities including water sports, rental or leasing of restaurant, gift shops and massage centre



Long Bay Beach Park 1 and 2 – Potential Development



Suggested beach activities:

- *Swimming*
- *Snorkelling*
- *Scuba – Diving*
- *Kayaking*
- *Sun-Bathing*
- *Parties/Events*
- *Beach Volleyball*
- *Beach Football (Long Bay 1 only)*
- *General Beach Recreational Activities*



Bluefields Beach Park – Description

Bluefields Beach Park is located in Westmoreland Jamaica, on the south-western side of the island, near Whitehouse and approximately 16 kilometres (10 miles) south-east of Savannah-la-mar. The total property size of the beach park is approximately 1 288 940.40 square feet.

The 1 km long beach park allows tourists to experience local/Jamaican flavour in a rustic setting and safe environment.

The beach and the park are separated by a closed private road which is maintained by the UDC and restricts vehicular access.



Bluefields Beach Park – Description

The beach is popular among the local population of the parishes of Westmoreland and St. Elizabeth serving over 279,000 residents – and is regarded as a community beach.

It forms part of the social fabric of the southwest coastal environment and over the years has served as the focal point for social and family gatherings particularly during public holidays, offering a true Jamaican experience.

Bluefields beach is beloved by locals and tourists alike and is regarded as a national asset by residents and as a beach of great value to the community.



Bluefields Beach Park – Vision and Future Objectives

The Vision for Bluefields Beach Park is that it will meet the following objectives:

- To preserve the natural features of the Beach Park and its surrounding ecosystems.*
- To offer activities that will result in minimal impact on the natural environment and ensure the safety of patrons, while seeking to maximise the attractiveness and potential of the beach.*
- To capture the rustic nature and sensitivity of the natural environment and enhance its attractiveness.*
- To ensure that the community continues to enjoy the beach in a better managed environment. Currently no entrance fee is charged to access the property and the UDC as owner requires that this is maintained by the future manager/operator.*

Bluefields Beach Park - Operations

The main source of revenue for Bluefields Beach Park is a fee charged for the use of the restroom facilities. The Beach Park is operating with basic amenities that can be improved on to enhance the attractiveness of the beach while preserving the natural environment.



Bluefields Beach Park – Potential Development

<i>Strengths</i>	<i>Opportunities</i>
<ul style="list-style-type: none">• <i>Large open area for recreational purposes</i>• <i>No competing beaches or parks in immediate vicinity within 11 miles.</i>• <i>Several structures already built with minimal renovation required</i>• <i>Very accessible and provides a travel rest stop for persons travelling from Montego Bay to the south coast</i>• <i>43 minutes from the popular YS Falls, St Elizabeth</i>	<ul style="list-style-type: none">• <i>High demand for affordable family friendly attractions, while providing convenient venue for events.</i>• <i>Potential for tourists to experience the local flavour of the West in a rustic setting</i>

Bluefields Beach Park – Potential Development



Suggested Beach and Land activities:

- *Swimming*
- *Snorkelling*
- *Sun-Bathing*
- *Scuba- Diving*
- *Kayaking*



Next Steps

Outlined below is the summary of the transaction process.

Expression of Interest

Persons interested in this opportunity are requested to submit written Expressions of Interest (EOI) by Wednesday 19 December 2012 at 3:00 p.m. (Eastern Standard Time) in hardcopy format in a sealed envelope, contact details shown overleaf.

Prequalification Stage

After submission of the EOI, the interested investors will be invited to participate in a pre-qualification process. A Prequalification Guidelines document will be circulated to interested investors who have submitted an EOI, which will include the terms and information required for assessment. The objective of the pre-qualification process is to satisfy the GOJ of the potential bidders' financial and managerial capability.

Confidential Information Memorandum (“CIM”)

A CIM will be made available for purchase to those potential bidders who have attained the minimum required score in the prequalification process, and are considered to be prequalified. Prequalified interested investors will be invited to participate in a public tender bidding process. Purchasers of the CIM will be granted access to an online virtual data room which will have additional information on:

- *The beachfront properties*
- *The Jamaican Tourism industry*
- *The Jamaican economy*



Next Steps (cont'd)

The Financial Advisor will facilitate due diligence exercises by potential bidders.

The public tender bidding process, including bidding rules, will be detailed in the CIM document.

Queries and requests for clarification may be made by letter, email or facsimile transmission to:

Financial Advisors

PricewaterhouseCoopers Tax and Advisory Limited

8th Floor Scotiabank Centre

Duke Street

Kingston, Jamaica

Attention: Caydion Campbell

pwctanda@jm.pwc.com

(876) 922- 7581 (fax)

